Manitoba Agriculture

FARM BUSINESS MANAGEMENT

nformation Update

Guidelines For Estimating

Swine Farrow-Finish Costs

Based On 300 Sows, 5809 Pigs Sold

DATE: September, 2000

This publication is intended to provide a format and a set of guidelines for determining costs of production for a hog enterprise. The cost figures listed in this budget are estimates and not figures obtained from an actual survey of the hog industry in Manitoba. Adjustments will be necessary when applying these figures to your own enterprise. The assumptions on which the costs are based are outlined in the supporting pages. These assumptions were arrived at using the breeding stock, management practices, and facilities seen in modern, well-managed swine operations of comparable size in Manitoba. Productivity and performance assumptions are based on information collected by department specialists, feed companies and other organizations. Adjustments will be necessary where individual herd productivity and performance levels differ from those listed.

Accurate, up-to-date, production and financial records are essential for the effective application of these guidelines to an individual operation. Without such information accurate cost of production projections cannot be determined.

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Farrow-Finish Pig Cost of Production

The following farrow finish budget is based on the assumption that creep and starter rations are purchased all others are home mixed. The budget assumes a land investment cost based on 160 acres, which would be required for this size operation, with 140 acres rented out at $25 per acre.

The budget includes an assumption that 1.5% of the market pigs are sold as lightweight pigs. It is assumed that when the lightweight pigs are sold, they will have a salvage value. Therefore, total marketing's are reduced by 1% to compensate for the lightweight pigs.

The budget includes an assumption that this particular operation is "all-in, all-out" by room. Space allocations for finishing pigs are in accordance with the Recommended Code of Practice for the Care and Handling of Farm Animals: Pigs.

The rations illustrated in this budget are examples only.
Individual farm conditions should be taken into account when formulating the diets.
Producers need to know the feed intakes of their animals.
Please consult with a nutritionist for diet information suggestions.

The Manitoba pork production industry profile is changing and this budget was specifically designed to address the need of producers who may want to analyze the cost of production farrow to finishing operation. Several companies are offering contracts with varying levels of guarantees. Producers need to accurately calculate their costs before they can properly make a decision.

300 Sow Farrow-Finish Cost of Production Summary

Operating Costs	$/Pig Sold	$/Sow /Year	Total Cost	Your Cost
1. Feed Costs:				
Sow Lactation Ration	2.89	55.97	16,791	
Sow Gestation Ration	5.76	111.46	33,439	
Boar Ration	0.36	6.98	2,095	
Creep Feed	3.44	66.67	20,000	
Starter Ration #1	7.29	141.19	42,357	
Starter Ration #2	6.08	117.75	35,326	
Grower Ration #1	13.40	259.46	77,838	
Grower Ration #2	17.23	333.70	100,110	
Finisher Ration	19.81	383.52	115,057	
Total Feed Cost	**$76.26**	**$1,476.71**	**$443,012**	
2. Other Operating Costs:				
Veterinary Medicine & Supplies	2.44	47.27	14,180	
Maintenance & Repairs	1.23	23.79	7,138	
Hydro & Propane	4.13	80.00	24,000	
Insurance	1.47	28.43	8,528	
Manure Costs	3.12	60.32	18,097	
Office Supplies	0.19	3.67	1,100	
Marketing & Transport.	4.89	94.69	28,408	
Sow Replacement	2.66	51.52	15,456	
Boar Replacement	1.12	21.63	6,488	
Property Tax	1.14	22.05	6,615	
Subtotal Operating Costs	$98.64	$1,910.07	$573,020	
Interest on Operating Costs	2.04	39.50	11,851	
Total Operating Costs	**$100.68**	**$1,949.57**	**$584,871**	
Fixed Costs				
3. Depreciation:				
Buildings & Manure Storage	5.50	106.53	31,959	
Equipment	10.06	194.71	58,414	
Total Depreciation Cost	**$15.56**	**$301.24**	**$90,373**	
4. Investment:				
Land cost	$0.66	12.78	3,834	
Buildings & Manure Storage	3.31	64.05	19,216	
Equipment	3.07	59.50	17,849	
Breeding Herd	0.85	16.50	4,950	
Total Investment Cost	**$7.89**	**$152.83**	**$45,849**	
Total Fixed Costs	**$23.45**	**$454.07**	**$136,222**	
Labour				
90 hours/week farrow wean	9.67	187.20	56,160	
45 hours/week grower finish	4.83	93.60	28,080	
Total Labour Cost	**$14.50**	**$280.80**	**$84,240**	
Total Cost of Production	**$138.63**	**$2,684.45**	**$805,334**	
Break-Even Price (carcass) [1]	**$/100 kg** [2]	**$/CWT** [2]		
Operating Cost	$100.00	$45.36		
Operating & Labour Cost	$114.40	$51.89		
Operating, Labour & Fixed Cost	$137.69	$62.45		

[1] FOOTNOTE: Break-even Price = Cost per Hog Sold / (Slaughter Weight X Dressing Percentage X Index)

[2] FOOTNOTE: Converted to Index 100 Price

Farrow Finish Pig Production Costs

1. This input table outlines the cost of production for a farrow finish operation.
2. Buildings and equipment are valued at new cost.
3. Purchased feed is used for creep and starter all other feed is home mixed.
4. Manure haulage is contracted out.
5. Gilts are purchased for herd replacement.
6. No weaner pigs are sold.

Farrow Wean Pig Production Assumptions

Indicators of Productivity	
Sows	**300**
Boars	**15**
Litters/Sow/Year	**2.20**
Average Weaning Age (days)	**22**
Average Born Alive per Litter	**10.50**
Percent Pre-Weaning Mortality	**10.0**
Percent Post-Weaning Mortality	**3.0**

Herd Profile	**Total**	**/Sow**	**/Litter**	**%Mortality**
Sows	300			
Boars	15			
Litters	660	2.20		
Pigs Born Alive	6,930	23.10	10.50	
Pigs Died, Pre-Weaning	693	2.31	1.05	10.0
Pigs Weaned	6,237	20.79	9.45	
Pigs Died, Post-Weaning	187	0.62	0.28	3.0
Weaner Pigs Transferred	6,050	20.17	9.17	

Feed Requirements and Costs			**Purchased**	**Home-Mixed**	
Dry Sow Ration	**2.3**	kg/day	**$0.00**	$153.07	/tonne
Nursing Sow Ration	**6.0**	kg/day	**$0.00**	$192.73	/tonne
Boar Ration	**2.5**	kg/day	**$0.00**	$153.07	/tonne
Creep Feed	**3.0**	kg	**$962.00**	$0.00	/tonne
Starter Ration 1	**14.0**	kg	**$500.00**	$0.00	/tonne
Starter Ration 2	**14.0**	kg	**$417.00**	$0.00	/tonne

Weaner Pig Efficiency	**Starter #1**	**Starter #2**	**Total**	
Days Post-Weaning (nursery)	**21**	**14**	35	days
Target Starting Weight (kg)	**8.0**	**16.0**	8.0	kg
Target Ending Weight (kg)	**16.0**	**23.0**	23.0	kg
Feed Conversion Ratio (feed:gain)	1.75	2.00	1.87	
Average Daily Gain (kg)	0.38	0.50	0.44	kg

Labour		
Total Hours per 7-day week	**90.0**	hours/week (including manager)
Hourly Wage (including hired manager)	**$12.00**	/hour (weighted)

Grower-Finisher Pig Production Assumptions

Livestock values are based on
a Market Price for Pork of: **$150.00** /100 kg **110** Market Index
or: $68.04 /lb **81** % Dressing
Premium: $0.00 /head

Indicators of Productivity	Grower 1	Grower 2	Finish	Total
No. of Pigs (Beginning)	6050	5,990	5,930	--
Average Beginning Weight (kg)	**23.0**	50.0	80.0	--
Average Ending Weight (kg)	**50.0**	**80.0**	**113.0**	--
Percent Mortality	**1.00**	**1.00**	**1.00**	3.00
Days on Feed	**40**	**37**	**43**	120.30
Feed Conversion Ratio [1]	**2.60**	**3.20**	**3.90**	3.28
No. of Pigs (Ending)	5,990	5,930	5,870	--
Weight Gain/Pig (kg)	27.0	30.0	33.0	90.0
Feed Disappearance/Pig (kg)	70.2	96.0	128.7	294.9
Average Daily Gain (kg)	0.675	0.811	0.762	0.748
Average No. Pigs in Barn [2]	660	604	700	1,964

[1] FOOTNOTE: The Feed Conversion Ratio (FCR) in the 'Total' column is a weighted average of the feed conversion ratios. Also note that an accurate feed conversion ratio for the grower-finisher ente calculated by dividing 'Total Feed used per Year' by 'Total Gain per Year'; where 'Total Gain per Ye equals 'Total Hogs Sold' times 'Gain per Hog'. When calculated in this way, the feed conversion ra includes feed lost through wastage and weight gain lost through death of pigs.

[2] FOOTNOTE: Assume that "Avg. No. of Pigs in Barn" equals "Pig Places".

Productivity Profile	Total		
Pigs transferred	6,050		
Pigs Died	182	3.00	% mortality
Pigs available for marketing	5,868		
Less light weight pig adjustment	59	1.00	% light weight adjustment
Pigs Sold at full market value	5,809	19.36	sold/sow
Total Days to Market	177		
Turnover (365 / days to market)	2.06		

Feed Requirements and Costs

	FCR*	kg/pig	Ration Cost Purchased	Home-Mixed
Grower-1 Ration	2.60	70.2	**$0.00**	$190.87 /tonne
Grower-2 Ration	3.20	96.0	**$0.00**	$179.51 /tonne
Finish Ration	3.90	128.7	**$0.00**	$153.89 /tonne

*** FCR = Feed Conversion Ratio (Feed:Gain)**

Labour

Total Hours per year	**45.0**	hours/week	2,340 hours/year
Wage (incl. benefits @15%)	**$12.00**	/hour (weighted)	

Capital Costs

		$/Sq.Ft.	Total	/Sow
Buildings				
Gestation	8,100 sq.ft.	**$17.10**	$138,510	$461.70
Farrowing/Nursing	9,900 sq.ft.	**$19.45**	$192,555	$641.85
Feeder Barn	19,439 sq.ft.	**$14.20**	$276,039	$920.13
Office & Loading	**288** sq.ft.	**$23.15**	$6,667	$22.22
Standby Generator			**$25,000**	$83.33
Feed Mill (building only)			**$10,000**	$33.33
Total Building Cost			**$648,771**	$2,162.57
Equipment		**$/Sq.Ft.**		
Gestation		**$15.25**	123,525	$411.75
Farrowing/Nursing		**$20.00**	198,000	$660.00
Finishing Barn		**$11.55**	$224,525	$748.42
Fire Alarm System			**$3,000**	$10.00
Feed Mill (equipment only).			**$100,000**	$333.33
Total Equipment Cost			**$649,050**	**$2,163.50**
Total Buildings and Equipment Cost			**$1,297,821**	**$4,326.07**
Breeding Stock				
Value of Replacement Sow	$280 /sow		$84,000	$280.00
Value of Replacement Boar	$1,000 /boar		$15,000	$50.00
Total Breeding Stock Cost			**$99,000**	**$330.00**
Land Value				
Land Investment	**160** acres @	**$500** /acre	$80,000	$266.67
Rental Income	**140** acres @	**$25** /acre	$3,500	$11.67
Other Costs				
Site Preparation			**$30,000**	$100.00
Manure Storage			**$55,000**	$183.33
Total Other Costs			**$85,000**	**$283.33**
Total Capital Investment			**$1,531,821**	**$5,106.07**

[1] FOOTNOTE: The number of square feet allocated for buildings and equipment are approximations. Cost per sow for buildings and equipment will vary around the province.

FOOTNOTE: 1 sq.ft. = 0.0929 sq.m; 1 sq.m.= 10.764 sq.ft.; 1 ft.= 0.3048 m

Feed Ingredient Costs

	Price ($/tonne)	Your Cost
Barley	$108.00	
Wheat-HRS	$121.00	
Wheat-CPS	$121.00	
Corn	$120.00	
Soybean Meal - 47 %	$315.00	
Canola Meal - 34%	$183.00	
Creep Premix	$700.00	
Sow Micro Premix	$2,550.00	
Grower Micro Premix	$2,400.00	
Canola Oil	$920.00	
Whey Powder	$720.00	
Herring Meal	$1,400.00	
Plasma	$6,500.00	
Limestone	$65.00	
Phosphorous (16-21)	$465.00	
Salt - 96%	$120.00	
L-Lysine HCL	$2,550.00	
L-Threonine	$6,100.00	
Oats - Steam rolled	$400.00	
Processing Cost		
(Hydro, Repairs/Maintenance & Insurance	$3.25	
Percent Weight loss due to processing	1.25	
Labour Cost	$4.00	

Feed Requirement and Cost Summary

	Amount (kg)	Ingredient Price ($ /tonne)	Ration Cost ($ /tonne)	Your Cost
Dry Sow				
Barley	810.2	$108.00	$87.50	
Canola Meal - 34%	138.0	$183.00	$25.25	
Sow Micro Premix	5.0	$2,550.00	$12.75	
Canola Oil	10.0	$920.00	$9.20	
Limestone	16.5	$65.00	$1.07	
Phosphorous (16-21)	14.9	$465.00	$6.93	
Salt - 96%	3.5	$120.00	$0.42	
L-Lysine HCL	1.9	$2,550.00	$4.85	
Total Dry Sow:	**1,000.0 kg**		**$147.97**	
Adjusted For Weight Loss		1.25 %	$149.82	
Plus Processing Cost		$3.25	$153.07	
Plus Labour Cost		$4.00	**$157.07**	
Nursing Sow:				
Barley	530.7	$108.00	$57.32	
Corn	199.0	$120.00	$23.88	
Soybean Meal - 47 %	117.0	$315.00	$36.86	
Canola Meal - 34%	80.0	$183.00	$14.64	
Sow Micro Premix	5.0	$2,550.00	$12.75	
Canola Oil	30.0	$920.00	$27.60	
Limestone	15.0	$65.00	$0.98	
Phosphorous (16-21)	16.5	$465.00	$7.67	
Salt - 96%	4.9	$120.00	$0.59	
L-Lysine HCL	1.9	$2,550.00	$4.85	
Total Nursing Sow:	**1,000.0 kg**		**$187.14**	
Adjusted For Weight Loss		1.25 %	$189.48	
Plus Processing Cost		$3.25	$192.73	
Plus Labour Cost		$4.00	**$196.73**	

Boar Ration:			
Barley	810.2	$108.00	$87.50
Canola Meal - 34%	138.0	$183.00	$25.25
Sow Micro Premix	5.0	$2,550.00	$12.75
Canola Oil	10.0	$920.00	$9.20
Limestone	16.5	$65.00	$1.07
Phosphorous (16-21)	14.9	$465.00	$6.93
Salt - 96%	3.5	$120.00	$0.42
L-Lysine HCL	1.9	$2,550.00	$4.85
Total Boar:	**1,000.0 kg**		**$147.97**
Adjusted For Weight Loss		1.25 %	$149.82
Plus Processing Cost		$3.25	$153.07
Plus Labour Cost		$4.00	**$157.07**

Creep Ration:	**Amount (kg)**	**Ingredient Price ($ /tonne)**	**Ration Cost ($ /tonne)**
Corn	133.9	$120.00	$16.06
Soybean Meal - 47 %	129.3	$315.00	$40.73
Creep/Starter Premix	34.0	$700.00	$23.82
Canola Oil	18.2	$920.00	$16.70
Whey Powder	124.8	$720.00	$89.83
Herring Meal	74.9	$1,400.00	$104.80
L-Lysine HCL	0.5	$2,550.00	$1.28
Oats - Steam rolled	484.5	$400.00	$193.81
Total Creep:	**1,000.0 kg**		**$487.03**
Adjusted For Weight Loss		1.25 %	$493.12
Plus Processing Cost		$3.25	$496.37
Plus Labour Cost		$4.00	**$500.37**

Starter #1:			
Corn	607.5	$120.00	$72.89
Soybean Meal - 47 %	204.2	$315.00	$64.31
Creep/Starter Premix	39.9	$700.00	$27.95
Canola Oil	11.3	$920.00	$10.43
Whey Powder	90.7	$720.00	$65.33
Herring Meal	45.4	$1,400.00	$63.52
L-Lysine HCL _	1.0	$2,550.00	$2.55
Total Starter #1	**1,000.0 kg**		**$306.98**
Adjusted For Weight Loss		1.25 %	$310.82
Plus Processing Cost		$3.25	$314.07
Plus Labour Cost		$4.00	**$318.07**

Starter #2:			
Barley	186.0	$108.00	$20.09
Corn	545.8	$120.00	$65.50
Soybean Meal - 47 %	226.9	$315.00	$71.46
Creep/Starter Premix	39.9	$700.00	$27.95
L-Lysine HCL	1.4	$2,550.00	$3.47
Total Starter #2	**1000.0 kg**		**$188.47**
Adjusted For Weight Loss		1.25 %	$190.83
Plus Processing Cost		$3.25	$194.08
Plus Labour Cost		$4.00	**$198.08**

Grower Ration #1:	**Amount (kg)**	**Ingredient Price ($ /tonne)**	**Ration Cost ($ /tonne)**
Barley	422.1	$108.00	$45.59
Corn	300.0	$120.00	$36.00
Soybean Meal - 47 %	148.0	$315.00	$46.62
Canola Meal - 34%	80.0	$183.00	$14.64
Grow/Fin Micro Premix	5.0	$2,400.00	$12.00
Canola Oil	20.0	$920.00	$18.40
Limestone	11.5	$65.00	$0.75
Phosphorous (16-21)	8.8	$465.00	$4.09
Salt - 96%	2.3	$120.00	$0.28
L-Lysine HCL	2.0	$2,550.00	$5.10
L-Threonine	0.3	$6,100.00	$1.83
Total Stage-1	**1,000.0 kg**		**$185.30**
Adjusted For Weight Loss		1.25 %	$187.62
Plus Processing Cost		$3.25	$190.87
Plus Labour Cost		$4.00	**$194.87**

Grower Ration #2:			
Barley	555.0	$108.00	$59.94
Corn..	191.0	$120.00	$22.92
Soybean Meal - 47 %	108.0	$315.00	$34.02
Canola Meal - 34%	100.0	$183.00	$18.30
Grow/Fin Micro Premix	5.0	$2,400.00	$12.00
Canola Oil	20.0	$920.00	$18.40
Limestone	11.3	$65.00	$0.73
Phosphorous (16-21)	5.8	$465.00	$2.70
Salt - 96%	2.3	$120.00	$0.28
L-Lysine HCL	1.4	$2,550.00	$3.57
L-Threonine	0.2	$6,100.00	$1.22
Total Stage-2	**1,000.0 kg**		**$174.08**
Adjusted For Weight Loss		1.25 %	$176.26
Plus Processing Cost		$3.25	$179.51
Plus Labour Cost		$4.00	**$183.51**

Finisher Ration:				
Barley	817.4	$108.00	$88.28	
Soybean Meal - 47 %	43.0	$315.00	$13.55	
Canola Meal - 34%	100.0	$183.00	$18.30	
Canola Oil	20.0	$920.00	$18.40	
Limestone	11.3	$65.00	$0.73	
Phosphorous (16-21)	3.7	$465.00	$1.72	
Salt - 96%	2.2	$120.00	$0.26	
L-Lysine HCL	2.0	$2,550.00	$5.10	
L-Threonine	0.4	$6,100.00	$2.44	
Total Stage-3	**1,000.0 kg**		**$148.78**	
Adjusted For Weight Loss		1.25 %	$150.64	
Plus Processing Cost		$3.25	$153.89	
Plus Labour Cost		$4.00	**$157.89**	

Farrow Finish Pig Production Cost Worksheet

A. Operating Costs			Your Cost
1. Feed Requirements and Costs			
1.01 Sow Lactation Ration			
	22	days average weaning age	
x	2.20	litters/sow/year	
=	48.4	days lactation	
x	6.0	kg ration/day	
x	$192.73	/tonne ration	
÷	1,000	kg/tonne	
÷	19.36	pigs sold/sow/year	
=	**$2.89**	**/pig sold**	
1.02 Sow Gestation Ration			
	365	days/year	
-	48.4	days lactation	
=	316.6	days gestation	
x	2.3	kg ration/day	
x	$153.07	/tonne ration	
÷	1,000	kg/tonne	
÷	19.36	pigs sold/sow/year	
=	**$5.76**	**/pig sold**	
1.03 Boar Ration			
	365	days	
x	2.5	kg ration/day	
x	$153.07	/tonne ration	
÷	1,000	kg/tonne	
x	15	boars	
÷	300	sows	
÷	19.36	pigs sold/sow/year	
=	**$0.36**	**/pig sold**	
1.04 Creep Feed			
	3	kg ration/pig	
x	$962.00	/tonne of creep feed	
÷	1,000	kg/tonne	
x	23.10	pigs born alive/sow/year	
÷	19.36	pigs sold/sow/year	
=	**$3.44**	**/pig sold**	

1.05 Starter Ration #1

	16.00	kg target sale weight	_____
-	8.00	kg target weaning weight	_____
=	8.00	kg weight gain	_____
x	1.75	feed conversion ratio	_____
=	14.00	kg ration/pig	_____
x	$500.00	/tonne starter ration #1	_____
÷	1,000	kg/tonne	_____
x	20.17	weaners transferred/sow/year	_____
÷	19.36	pigs sold/sow/year	_____
=	**$7.29**	**/pig sold**	_____

1.06 Starter Ration #2

	23.00	kg target sale weight	_____
-	16.00	kg target weaning weight	_____
=	7.00	kg weight gain	_____
x	2.00	feed conversion ratio	_____
=	14.00	kg ration/pig	_____
x	$417.00	/tonne starter ration #2	_____
÷	1,000	kg/tonne	_____
x	20.17	weaners transferred/sow/year	_____
÷	19.36	pigs sold/sow/year	_____
=	**$6.08**	**/pig sold**	_____

1.07 Grower Ration #1

	27.0	kg weight gain/pig	_____
x	2.60	feed conversion ratio	_____
=	70.2	kg ration/pig	_____
x	$190.87	/tonne ration	_____
÷	1,000	kg/tonne	_____
=	**$13.40**	**/pig sold**	_____

1.08 Grower Ration#2

	30.0	kg weight gain/pig	_____
x	3.20	feed conversion ratio	_____
=	96.0	kg ration/pig	_____
x	$179.51	/tonne ration	_____
÷	1,000	kg/tonne	_____
=	**$17.23**	**/pig sold**	_____

1.09 Finisher Ration

	33.0	kg weight gain/pig	_____
x	3.90	feed conversion ratio	_____
=	128.7	kg ration/pig	_____
x	$153.89	/tonne ration	_____
÷	1,000	kg/tonne	_____
=	**$19.81**	**/pig sold**	_____

2. Other Operating Costs

2.01 Veterinary Medicine & Supplies

	$7.29	/sow/year services	_____
+	$21.83	/sow/year medication	_____
÷	19.36	pigs sold/sow/year	_____
=	$1.50	/pig sold	_____
	$0.90	/pig transferred in	_____
x	6,050	pigs transferred in	_____
÷	5,809	pigs sold	_____
=	$0.94	/pig sold	_____
=	**$2.44**	**/pig sold**	_____

2.02 Maintenance & Repairs

	$1,297,821	/sow building & equipment	_____
x	0.55	%/sow/year repair & maintenance	_____
÷	5,809	pigs sold/sow/year	_____
=	**$1.23**	**/pig sold**	_____

2.03 Hydro & Propane

	$12,000	propane	_____
x	$12,000	hydro	_____
÷	5,809	pigs sold	_____
=	**$4.13**	**/pig sold**	_____

2.04 Insurance

	$1,297,821	buildings & equipment	_____
x	$0.46	/$100 capital invested	_____
÷	100		_____
÷	5,809	pigs sold	_____
=	$1.03	/pig sold	
	$99,000	breeding stock	_____
+	$294,560	market hogs value	_____
+	$0.65	/$100 capital invested	_____
+	5,809	pigs sold	_____
=	$0.44	/pig sold	_____
=	**$1.47**	**/pig sold**	_____

2.05 Manure Costs

Haulage	63.0	litres/sow/day	_____
x	$0.002	/cubic metre haulage rate	_____
x	365	days	_____
÷	19.36	pigs sold/sow/year	_____
=	$2.37	/pig sold	_____

Odour control	$4,300	total costs	
÷	5,809	pigs sold	
=	$0.74	/pig sold	
Total =	**$3.12**	**/pig sold**	

2.06 Office Supplies

	300	number of sows	
x	$2.00	fixed rate/sow	
=	$600.00		
+	$500.00	minimum cost	
=	1,100.00	total	
÷	300	sows	
÷	19.36	pigs sold/sow/year	
=	**$0.19**	**/pig sold**	

2.07 Marketing & Transportation

	$2.50	trucking	
+	$0.85	universal levy	
+	$0.04	grading charge	
+	$0.65	truck washing	
+	$0.85	insurance	
=	**$4.89**	**/pig sold**	

2.08 Sow Replacement

	180.0	kg/sow (cull weight)	
x	$84.00	/100 kg live	
=	$151.20	/sow value of cull	
	$280.00	/sow value of replacement	
-	$151.20	/sow value of cull	
=	$128.80	net replacement cost	
x	40.00	percent sow culling rate	
÷	19.36	pigs sold/sow/year	
=	**$2.66**	**/pig sold**	

2.09 Boar Replacement

	225.0	kg/boar (cull weight)	
x	$60.00	/100 kg live	
=	$135.00	/boar value of cull	
	$1,000.00	/boar value of replacement	
-	$135.00	/boar value of cull	
=	$865.00	net replacement cost	
x	50.00	% culling rate	
x	15	number of boars	
÷	300	number of sows	
÷	19.36	pigs sold/sow/year	
=	**$1.12**	**/pig sold**	

2.10 Property Taxes

	$6,615	total taxes	_____
+	5,809	pigs sold	_____
=	**$1.14**	**/pig sold**	_____

2.11 Interest on Operating Cost:

$$\frac{\text{Sub-total Operating Cost} \times \text{Total Days to Market}}{365} \times \frac{\text{\% Interest}}{2}$$

	$98.64	subtotal operating	_____
x	177	days farrow to farrow	_____
÷	365	days per year	_____
x	8.50	% operating interest rate	_____
÷	2	average	_____
=	**$2.04**	**/pig sold**	_____

B. Fixed Costs

3. Depreciation: $\frac{\text{Original cost - Salvage Value}}{\text{Useful Life}}$

3.01 Buildings

	$704,050	building cost (including earthen manure storage)	_____
-	$64,877	salvage value (building only)	_____
÷	20	years useful life	_____
÷	5,809	pigs sold	_____
=	**$5.50**	**/pig sold**	_____

3.02 Equipment

	$649,050	equipment cost	_____
-	$64,905	salvage value	_____
÷	10	years useful life	_____
÷	5,809	pigs sold	_____
=	**$10.06**	**/pig sold**	_____

4. Investment:

$$\frac{\text{(Original Cost + Salvage Value)}}{2} \times \text{\% Investment Interest}$$

5.00	% investment rate	

4.01 Land Cost

	$80,000	land investment	_____
-	$3,500	rental income	_____
=	$76,500	net cost	_____
x	5.00	% investment rate	_____
÷	5,809	pigs marketed	_____
=	**$0.66**	**/pig sold**	_____

4.02 Buildings

	$703,771	building cost (including earthen manure storage)	_____
+	$64,877	salvage value (building only)	_____
÷	2	average	_____
x	5.00	% investment rate	_____
÷	5,809	pigs sold	_____
=	**$3.31**	**/pig sold**	

4.03 Equipment

	$649,050	equipment cost/sow	_____
+	$64,905	salvage value/sow	_____
÷	2	average	_____
x	5.00	% investment rate	_____
÷	5,809	pigs sold	_____
=	**$3.07**	**/pig sold**	_____

4.04 Breeding Stock

	$99,000	value of breeding stock	_____
x	5.00	% investment rate	_____
÷	5,809	pigs sold	_____
=	**$0.85**	**/pig sold**	_____

C. Labour

	90.0	hours/week	_____
x	52	weeks/year	_____
x	$12.00	/hour	_____
÷	300	sows	_____
÷	19.36	pigs sold/sow/year	_____
=	**$9.67**	**/pig sold**	_____
	2,340	total hours/year	_____
x	$12.00	/hour	_____
÷	5,809	pigs sold/sow/year	_____
=	**$4.83**	**/pig sold**	_____
=	$14.50	**/pig sold**	_____

Summary of Purchased Feeds Used

Farrow finish 300 sows
Total sold 5,809 pigs sold

	Total per Year (tonnes)	Total per Month (tonnes)	Total per Pig (kgs)	Total per Pig (lbs)
Dry Sow Ration	0	0.0	0.0	0.0
Nursing Sow Ration	0	0.0	0.0	0.0
Boar Ration	0	0.0	0.0	0.0
Creep Feed	19	1.6	3.2	7.1
Starter Ration 1	87	7.3	15.0	33.1
Starter Ration 2	87	7.3	15.0	33.1
Grower-1 Ration	0	0.0	0.0	0.0
Grower-2 Ration	0	0.0	0.0	0.0
Finish Ration	0	0.0	0.0	0.0
Total	**193**	**16.1**	**33.3**	**73.4**

Summary of Home Mixed Feed Ingredients Used

	Total per Year (tonnes)	Total per Month (tonnes)	Total per Pig (kgs)	Total per Pig (lbs)
Barley	1,298.60	108.22	223.5	492.8
Corn	235.51	19.63	40.5	89.4
Field Peas	0.00	0.00	0.0	0.0
Soybean Meal - 47 %	156.64	13.05	27.0	59.4
Canola Meal - 37%	197.87	16.49	34.1	75.1
Creep Premix	0.00	0.00	0.0	0.0
Sow Micro Premix	1.33	0.11	0.2	0.5
Grower Micro Premix	4.83	0.40	0.8	1.8
Canola Oil	37.59	3.13	6.5	14.3
Whey Powder	0.00	0.00	0.0	0.0
Herring Meal	0.00	0.00	0.0	0.0
Limestone	23.77	1.98	4.1	9.0
Phosphorous (16-21)	13.60	1.13	2.3	5.2
Salt - 96%	4.84	0.40	0.8	1.8
L-Lysine HCL	3.60	0.30	0.6	1.4
L-Threonine	0.53	0.04	0.1	0.2
Oats - Steam rolled	0.00	0.00	0.0	0.0
Total Ration Used	**1,978.71**	**164.89**	**340.6**	**750.9**

For further information contact your local Manitoba Agriculture and Food office.

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